

State of Utah

Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director JON M. HUNTSMAN, JR. Governor

GARY R. HERBERT Lieutenant Governor

March 19, 2007

Mr. Preston Hafen Color Country Rock, LLC, entity no. 4775820-0160 115 South Main Veyo, Utah 84782

Subject: Approval of Reclamation Surety and Reclamation Contract, Vermillion

Mine, M0530076, Washington County, Utah

Dear Mr. Hafen:

On March 8, 2007, the Director of the Division of Oil, Gas and Mining signed the reclamation contract for the Vermillion Project, Notice of Intention file number S0530076. You now have Division approval of the form and amount of surety for the above referenced site. A copy of the executed reclamation contract/surety is enclosed for your records.

If you have questions or concerns regarding this letter, please contact me at (801) 538-5325. Thank you for your help in completing this very important regulatory requirement.

Sincerely,

Daron R. Haddock Permit Supervisor

Minerals Regulatory Program

Haddock

DRH:pb

Enclosure: reclamation contract/surety

cc: BLN

P:\GROUPS\MINERALS\WP\M053-Washington\S0530076-Vermillion\Final\approvesurety.doc